

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Rules- Andhra Pradesh Cooperative Societies Rules, 1964 - Amendment to the Andhra Pradesh Cooperative Societies Rules, 1964 for Co. operative Credit Societies covered under Special Chapter XIII-B- Notification - Orders- Issued.

AGRICULTURE AND COOPERATION (COOP.IV) DEPARTMENT

G.O.Ms.No.

Dated : 16-02-2012.

Read:

Letter Rc. No. 11463/2010/LR2, Dt: 30.05.2011 and 16.07.2011 of the Commissioner for Cooperation & Registrar of Cooperative Societies, Andhra Pradesh, Hyderabad.

ORDER:

The following notification will be published in the Extra-ordinary issue of the Andhra Pradesh Gazette.

NOTIFICATION

In exercise of the powers conferred by sub section (1) of section 130 of the Andhra Pradesh Cooperative Societies Act, 1964, (Act 7 of 1964), the Governor of Andhra Pradesh hereby makes the following amendments to the Andhra Pradesh Cooperative Societies Rules, 1964 as amended subsequently from time to time.

AMENDMENT

In the said rules, after rule 74, the following shall be added, namely “ 75. Without prejudice to the generality of other Andhra Pradesh Co-operative Societies Rules the special rule applicable to Co-operative Credit Societies covered under Chapter XIII B is as follows.

(1) Procedure for Registration of a society:

The provisions of rule 3 shall apply to all Cooperative Credit Societies with the following change.

If the Registrar is satisfied that the proposed society has complied with the above requirement i.e., as laid down under rule ‘3’, he shall register the society and the bye-laws of the society. If the Registrar is not satisfied, he shall reject the proposed registration of the society and its byelaws. In either case, the Registrar shall communicate his decision within 30 days from the date of receipt of the application. The provisions of rule 3 (xi) are not applicable to Cooperative Credit Societies.

(2) Minimum business to be transacted or services or facilities to be utilised by a member of other societies:

The provisions of rule 18 shall apply to all Cooperative Credit Societies with the following change:

“ The period of default shall be reckoned as one year instead of three months.”

(3) Removal of a disqualified member:

The provisions of rule 20 shall apply to all Cooperative Credit Societies, with the following change :

“All references to the Registrar in the said rule shall be construed to be a reference to the Managing Committee of the Society.”

(4) Disqualification of membership of committee:

The provisions of rule 24 shall apply to all Cooperative Credit Societies, with the following change :

“ The period of default shall be reckoned as one year instead of three months”.

(5) Procedure Regarding State aid to Societies:

The provisions of rule 34 shall apply to all Cooperative Credit Societies but rule 34 (14) shall be read as follows;

There shall be only one Government nominee on the Managing Committee of the Andhra Pradesh State Cooperative Bank and District Cooperative Central Bank as long as the equity of Government Continues, provided that the existing nominees as on the date of amendment to the Act (Act No.16 of 2007) on the Managing Committee shall continue till the expiry of their current term. However they shall not have any voting right in any election or in the motion of the no confidence. There shall be no Government nominee on the Managing Committee of the Primary Agricultural Cooperative Credit Society. The nominations shall be made by Government in case of Andhra Pradesh State Cooperative Bank and by the Registrar in case of District Cooperative Central Bank.

(6) Distribution of profits:

A Cooperative Credit Society shall distribute its net profits in any cooperative year as prescribed in the bye-laws.

(7) Investment of Reserve fund:

The provisions of rule 37 shall apply to all Cooperative Credit societies, with the following change :

“All references to the Registrar in the said rule shall be construed to be a reference to the general body of the Society”.

(8) Borrowings:

Cooperative Credit Societies shall have autonomy in borrowing funds as per the guidelines of Reserve Bank of India and National Bank for Agriculture and Rural Development. Hence rule 40 is inapplicable to Cooperative Credit Societies.

(9) Loans:

Cooperative Credit Societies shall determine the mechanism of lending as per the guidelines of Reserve Bank of India and National Bank for Agriculture and Rural Development. Hence rule 41 is inapplicable to Cooperative Credit Societies.

(10) Transaction with non-members:

Transaction with non-members shall be as per the guidelines of the Reserve Bank of India and National Bank for Agriculture and Rural Development. Hence rule 42 is inapplicable to Cooperative Credit Societies.

(11) Rule 43. Maintenance of fluid resources by societies with limited liability:

The provisions of rule 43 shall apply to all Cooperative Credit Societies.

The maintenance of fluid resources shall be as per the guidelines of National Bank for Agriculture and Rural Development/ Reserve Bank of India and shall be adopted by the General Body as such.

(12) Statement and returns to be furnished by a society for audit of its accounts and issue of Audit Certificate:

Rule 45 is inapplicable to Cooperative Credit Societies. They shall present such returns and accounts to auditor as are prescribed by Reserve Bank of India/National Bank for Agriculture and Rural Development and the auditor shall issue audit certificate as per the guidelines prescribed by Reserve Bank of India/National Bank for Agriculture and Rural Development.

(13) Audit Fees:

Rule 46 prescribing the Scale of Audit fees is inapplicable to Cooperative Credit Societies. The power to fix compensation for the Audit by the Cooperative Credit Societies shall be with the Society.

- (14) Power of Government to exempt a society or class of societies from the operation of the rules:

— Rule 67 is inapplicable to Cooperative Credit Societies in general. In exceptional or in extra ordinary circumstance, in the interest of the Co-operative movement or public interest this power may be exercised by the Government in consultation with Reserve Bank of India/National Bank for Agriculture and Rural Development.

- (15) Committee for selection of Chief Executive Officers of Cooperative Central Banks & Andhra Pradesh State Cooperative Bank:

The Board of the bank shall appoint the Chief Executive Officer as per the criteria prescribed by Reserve Bank of India/National Bank for Agriculture and Rural Development and should also undertake a process of due diligence in respect of the person relying on the information obtained from him /her before appointment. In case the Boards seek professional inputs by engaging the selection Committee, the Board should specifically pass a resolution for engaging the Selection Committee including composition of the committee.

Committee for selection of Chief Executive Officers of Cooperative Central Banks

President of Cooperative Central Bank,
Managing Director/Chief Executive Officer of Andhra Pradesh State Cooperative Bank,
Chief General Manager/Officer-in-charge of National Bank for Agriculture and Rural Development and
Professional Director of the respective Cooperative Central Bank Board.

Committee for selection of Chief Executive Officers of Andhra Pradesh State Cooperative Bank

President of Andhra Pradesh State Cooperative Bank,
Principal Secretary, Finance Department,
Principal Secretary, Agriculture & Cooperation Department
Chief General Manager/Officer-in-charge of National Bank for Agriculture and Rural Development and
Professional Director of the Board of Andhra Pradesh State Cooperative Bank.

- (16) Cost of Management : The cost of Management in Co-operative Credit Society shall be as per the guidelines issued by National Bank for Agriculture and Rural Development from time to time.”

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

I.Y.R. KRISHNA RAO
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Commissioner for Printing, Stationery & Stores Purchase,(Printing Wing) A.P., Hyderabad. He is requested to publish the Notification immediately in the next issue of the extra-ordinary A.P. Gazette and supply 500 copies to the Agrl. & Coopn. Deptt. and 200 copies to the CC&RCS, A.P., Hyderabad.
The Commissioner for Cooperation & Registrar of Cooperative Societies, A.P., Hyderabad.

The Chief General Manager NABARD, Regional Office, Hyderabad
The Managing Director, APCOB, Hyderabad.

Copy to:

All the District Cooperative Offices in the state through CC&RCS, A.P., Hyd. Law (J) Deptt.

P.S. to M(Coop.)/P.S. to Principal Secretary (C&M)
SF/SC

//FORWARDED :: BY ORDER//

SECTION OFFICER